"**Adikarnatakapura.**"

READ—

Letter No. 389, dated the 12—13th September 1930, from the President, Mysore City Municipal Council, submitting for approval of Government, a copy of the Municipal Council's resolution, dated the 30th August 1930, to the effect that the name of "Doddaholageri" in Mysore City, be changed to "Adikarnatakapura."

ORDER NO. L. 3067-3126—MI. 80-30-5, DATED 9TH OCTOBER 1930.

Approved.

R. RANGA RAO,
General Secretary to Government.

FINANCIAL SECRETARIAT.

Orders on the recommendations of the Public Accounts Committee.

READ—

Government Order No. Rel. 559-625—L. C. 10-29-2, dated 17th January 1930, constituting the Public Accounts Committee for the year 1928-29.

2. Audit and Appropriation Report of the Comptroller on the Accounts for the year 1928-29, received on 7th March 1930.

3. Report of the Public Accounts Committee on the Audit and Appropriation Report for the year 1928-29.

4. Letter No. 42—30-31, dated 8th August 1930, from the Registrar, High Court, issuing circular instructions to the Sub-Civil Courts for remedying the irregularities noticed in the Civil Courts' Auditor's Report 1928-29.

ORDER NO. FL. C. 16-18—G. F. 63-30-1, DATED CAMP MYSORE, THE 8TH OCTOBER 1930.

Government observe with satisfaction that in accordance with the usual convention the Public Accounts Committee dealt with the Comptroller's Report on the Audit and Appropriation Accounts for the year 1928-29 and submitted its own report in time for being placed before the Legislative Council at the June Session, 1930.

2. Government have considered the Comptroller's report with the recommendations of the Committee and are pleased to pass the following orders on the more important points brought to their notice.

PART I.

3. PARAS 4 TO 8.—*Appropriation Report—Variations in actuals from Grants.*—The Committee states that the year 1928-29 records some improvement over the previous year's result; but it emphasises the view that further endeavours should be made to frame estimates as accurately as possible and to minimise divergences between them and the final results. Government endorse this opinion. As the Committee has rightly pointed out sanction to the reappropriation of funds should invariably precede and not follow the incurring of expenditure. Government agree with the Committee that timely action should be taken by Departmental Officers to prevent excesses over grants and to explore possibilities of reappropriation before applying for additional grants. The attention of all heads of departments is once again invited to the observations contained in paras 5 and 6 of Government Order No. Fl. 1078-1138, dated 12—14th August 1929.

4. PARA 10.—*Lumpsum Grants.*—Government fully agree with the Committee's observations made in this paragraph about lumpsum grants. It is obvious that the objects for which provisions are made in the budget should be indicated in sufficient detail for enabling audit to watch that the relative expenditure is within the scope of

the grant but in the rare cases in which lumpsum grants are made it is necessary that the audit office should be invariably furnished with a detailed statement of appropriations duly sanctioned by competent authorities before expenditure is incurred against lumpsum grants.

5. PARA 12.—*Reconciliation of Departmental Figures with Treasury Figures.*—Government regret to observe that in spite of the instructions given in para 17 of Government Order No. Fl. 648-707—G. F. 224-27-1, dated 24th July 1928, adequate steps are not taken for the reconciliation with the Treasury credits of the collections claimed in the Departmental Accounts, especially in the Revenue Department. The Revenue Commissioner and all other Heads of Departments responsible for collection of revenue are requested to examine if the existing rules adequately provide for such reconciliation being automatically effected and if the prescribed procedure is being followed.

PART II.

6. PARA 14 IBID.—*General Remarks.*—The Committee has commented on the inadequacy of action taken by departments in respect of some irregularities brought to notice by the Audit Office. Reference has been made to the delay in the disposal of audit notes and inspection reports. It is stated that for want of adequate information the Committee could not finally deal with a number of cases mentioned in the Comptroller's Report. Government trust that Heads of Departments will pay greater attention to audit objections and irregularities and that as soon as Comptroller's Audit and Appropriation Report is published prompt action is taken to institute the necessary investigation into the cases mentioned in it, so that the Public Accounts Committee may finally deal with them.

7. PARA 15.—*Working of the Internal Audit System.*—Government note with appreciation the Committee's remarks on this subject. The question of equipping the Public Works Department with an effective system of internal audit has been considered but no final orders have been passed in the matter. The Committee's recommendation is referred to the Chief Engineer for a re-examination of the question and for necessary further action.

8. PARAS. 16 AND 17.—Government endorse the observations of the Committee that proper accounts should be kept both in the supplying and purchasing departments of materials for which advance payments are made, and that the standing orders regarding the periodical check and verification of stock should be strictly followed.

9. PARA 19.—*Depreciation Fund of the Iron Works.*—The Committee suggests that the necessary annual provision on account of depreciation should find a record in the accounts whether the concern works at a profit or loss. This is referred to the Iron Works Board for consideration.

10. PARA 21.—The Chief Electrical Engineer is requested to forward to Comptroller for inclusion in the next report a brief review of the working of the Stores Committee constituted in Government Order No. Fl. 2320-79—G. F. 271-26-9, dated 23rd September 1927.

11. PARA 22.—*Financial Results of Industrial Concerns.*—Under standing orders the working of all the concerns managed by the Industries and Commerce Department is subject to periodical review and Government are not convinced of any need for the constitution of any outside agency for enquiry into the financial position of these concerns. It is desirable, however, that the public should be kept informed of the actual results of their working and the Director of Industries and Commerce is requested to examine if the present arrangements for their publication are adequate and if not how they can be improved.

12. In regard to other matters dealt with in the Committee's report or their pro- [illegible] desire that the suggestions made by the Committee should receive [illegible] of Heads of Departments with a view to all necessary action [illegible] the defects brought to notice.

B. SREENIVASA IYENGAR,
Financial Secretary to Government.